



# CAMELS FINANCIAL OPTICS REPORT

## COMPANY OVERVIEW

### F & M Bancorp/Farmers and Merchants Bank

#### Company Description

F&M Bancorp ("FMB") ("the Company") is an Ohio financial institution headquartered in Miamisburg, Ohio. The Company is a registered bank holding company under the Bank Holding Company Act of 1956, as amended. The Company is the parent bank holding company for its wholly owned subsidiary, Farmers and Merchants Bank ("FMB") ("the Bank"), which was formed in 1923.

The Company is a customer-focused community bank that targets business owners, professionals, and individuals, with offices in greater Dayton markets.

#### Business Insights

##### Special Message from the President/CEO:

The continuation of government stimulus programs has challenged the Bank in managing high deposit levels against low loan rates. Although economic challenges remain in 2021 and will follow into 2022 the Bank's credit quality remains strong with loan delinquencies below sector levels.

The Bank has completed the transition to a new core operating system Financial Information System (FIS) Horizon XE. Transition to a new operating system certainly comes with integration challenges. Both Board and Management is appreciative of the efforts of all staff members meeting the needs of our valued customers during this period. Shon Myers, Chairman of F&M Bancorp, emphasized the new system will position the company to continually be able to provide customers access to new banking technologies.

**Shareholder Return:** The Company reported income of \$2,858,523/\$8.94 per share, as of 3Q 2021. Shareholders received \$238,694/\$0.75 per share in cash dividends, as of 3Q 2021. The Company's price per share is \$90.45 Fair Market Value ("FMV")/113% of book value (\$80.96) having increased \$4.65 (4.21%) in value over year-end 2020 and 5.07% when including dividends.

#### Investor Information

The Company is privately held and does not actively trade on any electronic exchange. The Company's common stock is traded through the Bank's internal trading desk and is the Company's transfer agent. Community Banc Investments is Company's market maker. Company pays quarterly dividends. Purchase of Company stock can be made through Self-Directed IRAs and Dividend Re-Investment Plan. The Company's stock is priced quarterly through an independent third-party firm. Individuals seeking to purchase shares are directed to contact Investor Relations.



#### Headquarters

41 South First Street  
Miamisburg, OH 45343

#### Investor Relations Contact

Cindy Spencer  
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(937) 866-2455  
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#### September 30, 2021

Stock Price (FMV)	\$90.45
Price to Book Value	113%
Book Value Per Share	\$80.96
YE 2019 Stock Price	\$86.80
Income Per Share (YTD)	\$8.94
Shares Outstanding	323,945
Board of Director Ownership	8.0%

#### Financial Data (000)

Assets	\$263,663
Deposits	\$ 220,668
Equity	\$25,892
Loans	\$164,002
Net Income (YTD)	\$2,859

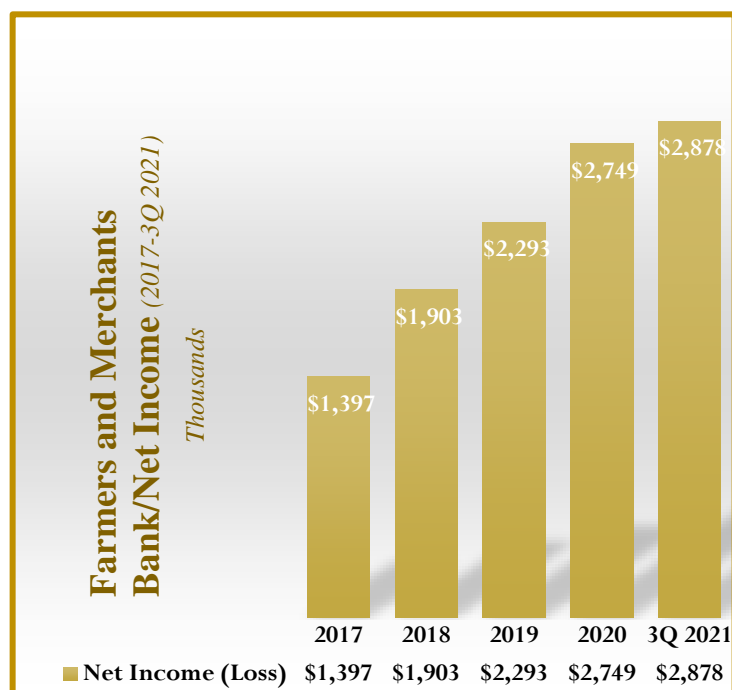
## Key Highlights (FMB)

- **Assets:** Bank assets of \$262,014,000, as of 3Q 2021 up from \$222,482,000 for the same period 2020.
- **Deposit:** Bank deposits of \$221,102,000, as of 3Q 2021 compared to \$184,864,000 for the same period 2020.
- **Loans:** Bank loans of \$164,002,000, as of 3Q 2021 compared to \$173,792,000 for the same period 2020.
- **Earnings:** Bank earned \$2,878,000, as of 3Q 2021 compared to \$2,092,000 for the same period 2020.
- **Net Interest Margin:** Bank earned 4.07%, as of 3Q 2021 compared to 4.02% for the same period 2020.
- **Efficiency Ratio:** 52.30%, as of 3Q 2021 compared to 58.89% for the same period 2020.

## Performance Ratios (FMB)

Return on Average Assets	1.52%
Return on Average Common Equity	16.92%
Yield on Loans	5.62%
Total Loans to Deposits	74.17%
Demand Deposits to Total Deposits	31.32%
Risk Based Capital/Risk Weighted Assets*	13.97%
Non-Performing Loans to Total Loans	1.01%
Allowance for Loan Losses to Total Loans	1.56%
Cost of Funds	0.57%

\*Well capitalized 10% Regulatory Benchmark



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"Increasing Shareholder Value"

CAMELS Consulting Group offers a comprehensive suite of proprietary products and services exclusively designed to increase the shareholder value of community banks. Backed by more than three decades of experience in stock and bank valuation analysis, CAMELS Financial Optics report provides the investment community with an objective overview of financial institutions.

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